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August 1, 2007

Ref: 394-24673

Honorable James H. Welsh Commissioner of Conservation Post Office Box 94275 Baton Rouge, LA 70804-4275

Re: Hearing Application

Lower Cotton Valley Formation, Reservoir A, SUQ

TERRYVILLE FIELD

Lincoln Parish, Louisiana

Applicant: Clayton Williams Energy, Inc.

Dear Mr. Commissioner:

Application is hereby made on behalf of **Clayton Williams Energy**, **Inc.** for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A, SUQ in the Terryville Field, Lincoln Parish, Louisiana.

- 1. To grant an exception to the spacing provisions of Statewide Order No. 29-E and to the 370-B Series of Office of Conservation Orders and to permit applicant, Clayton Williams Energy, Inc. to drill, designate and utilize the Clayton Williams Energy, Inc.-Burks 22 No. 1 Well, the Clayton Williams Energy, Inc.-Barnett 22 No. 1 Well, Clayton Williams Energy, Inc.-B. F. Fallin 22 No. 1 Well, Clayton Williams Energy, Inc.-P. D. Lewis 22 No. 1 Well and the Clayton Williams Energy, Inc.-Otis Eastern Service 22 No. 1 Well as additional alternate unit wells for the LCV RA SUQ, such well location shown on the attached plat;
- To make a specific finding that such proposed alternate unit wells are necessary to effectively and efficiently drain a portion of the LCV RA SUQ which cannot be efficiently and economically drained by any other well within the unit;

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- 3. To grant a single unit allowable for the LCV RA SUQ and to permit the operator of the unit to produce said unit allowables from the unit well, the alternate unit wells, the proposed alternate unit wells, or from any combination at its option;
- To confirm Clayton Williams Energy, Inc. as operator of the LCV RA SUQ;
- 5. To find that, except to the extent contrary to the order granted by the Commissioner of Conservation in connection with the hearing held on this application, the provisions of Office of Conservation No. 370, effective May 1, 1957, as amended and supplemented by the 370-B Series of Orders shall remain in full force and effect;
- 7. To consider such other matters relating to the subject unit as may be appropriate and justified by the evidence presented at the public hearing.

The Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana was redefined in Office of Conservation Order No. 370-B-91, effective December 5, 2006, insofar and only insofar as to LCV RA SUQ.

Attached hereto and made a part hereof is a plat outlining the LCV RA SUQ, Terryville Field, Lincoln Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. David Comeaux of Leon E. Comeaux & Associates, P. O. Box 53922, Lafayette, LA 70508 (337) 233-9839.

Finally, there is enclosed our check in the amount of \$755.00 payable to the Office of Conservation representing the required hearing application fee.

ery truly yours,

BJD:ht

Attachments

cc: Mr. James Broussard

District Manager, Office of Conservation

All Interested Owners, Represented Parties and Interested Parties

